

SPEM

State Street SPDR Portfolio Emerging Markets ETF Analyst Report

The SPDR Portfolio Emerging Markets ETF (SPEM) offers broad exposure to emerging markets, and does it for an extremely competitive price. The fund owns more than a thousand securities, making it a well-diversified option for long-term investors building a balanced portfolio. Like all of State Street's SPDR Portfolio ETFs, SPEM's management fee was set low enough to compete with ultra-low-cost rivals like the iShares Core MSCI Emerging Markets ETF (IEMG), the Charles Schwab Emerging Markets Equity ETF (SCHE), and the Vanguard FTSE Emerging Markets ETF (VWO).

Investors should note that SPEM (like VWO and SCHE) tracks an index that excludes South Korea, which is instead classified with developed markets. By contrast, IEMG tracks an MSCI index that lumps South Korea in with emerging markets. Unsuspecting investors who mix and match funds from different firms may find themselves either unintentionally overweight South Korea or missing out on the country entirely.

State Street launched its ultra-low-cost SPDR Portfolio lineup in October 2017 after years of losing market share to cheaper rivals at BlackRock, Schwab, and Vanguard. This was a humiliating setback since State Street essentially founded the modern ETF market in 1993 with the launch of the SPDR S&P 500 ETF Trust (SPY). State Street was late to the ultra-low-cost space — BlackRock launched its low-cost iShares Core series five years earlier — but has pushed hard to make up ground. Many of its SPDR Portfolio funds, including SPEM, were renamed and repriced for this purpose. Prior to October 2017, SPEM traded under the name SPDR S&P Emerging Markets ETF under the ticker GMM.

ESG Themes and Scores

6.28/10

ESG Rate

39.29%

Global Percentile

14.38%

Peer Percentile

Performance Data

| | SPEM | ETF Database Category Average | Factset Segment Average |
|---------------|--------|-------------------------------|-------------------------|
| 1 Month | 2.73% | 4.64% | 6.31% |
| 3 Month | 9.73% | 12.45% | 15.29% |
| YTD Return | 12.50% | 18.81% | 22.51% |
| 1 Year Return | 30.16% | 37.09% | 42.29% |
| 3 Year Return | 18.74% | 17.65% | 15.25% |
| 5 Year Return | 5.92% | 5.22% | 4.43% |

Top 5 Holdings

| Symbol | Holding | % Assets |
|--------|--|----------|
| 2330 | Taiwan Semiconductor Manufacturing Co., Ltd. | 14.39% |
| 700 | Tencent Holdings Ltd | 2.88% |
| 9988 | Alibaba Group Holding Limited | 2.35% |
| 2454 | MediaTek Inc | 2.20% |
| 2308 | Delta Electronics, Inc. | 1.45% |

Vitals

| | |
|---------------|--------------------------|
| Issuer | State Street |
| Brand | State Street |
| Structure | ETF |
| Expense Ratio | 0.07% |
| Inception | Mar 20, 2007 |
| Index Tracked | S&P Emerging Markets BMI |

ETF Database Themes

| | |
|-------------------|---------------------------|
| Category | Emerging Markets Equities |
| Asset Class | Equity |
| Asset Class Size | Large-Cap |
| Asset Class Style | Blend |
| Region (General) | Emerging Markets |
| Region (Specific) | Broad |

FactSet Classifications

| | |
|-----------|---|
| Segment | Equity: Emerging Markets - Total Market |
| Category | Size and Style |
| Focus | Total Market |
| Niche | Broad-based |
| Strategy | Vanilla |
| Weighting | Market Cap |

